



June 23, 2020

Ronald Anthony, Superintendent  
Buhl School District  
920 Main Street  
Buhl, ID 83316

Certified via E-mail Only

Dear Superintendent Anthony,

On February 25, 2020, State Department of Education (SDE) Contractor, Laura Thomas, with CN Resource (CNR), conducted an on-site review of the meal program, and from May 4 - June 12, 2020, Coordinator Teresa Goodsell conducted an off-site review process for the Administrative Review of the Buhl School District due to the current COVID-19 pandemic for the following United States Department of Agriculture (USDA) programs:

- School Breakfast Program (SBP)
- National School Lunch Program (NSLP)
- USDA Foods
- Fresh Fruit and Vegetable Program (FFVP)

The SA reviewed Buhl Middle School.

The State agency (SA) would like to thank Michelle Shaddy and the staff of Buhl School District for their hard work operating the school nutrition programs.

## Overview

The Richard B. Russell National School Lunch Act, amended by the addition of Section 201 to the Healthy Hunger Free Kids Act of 2010, requires a unified accountability system designed to ensure that participating school food authorities (SFA) comply with USDA requirements. The objectives of the Administrative Review (AR) are to:

- Determine whether the SFA meets program requirements
- Provide technical assistance
- Secure any needed corrective action
- Assess fiscal action and, when applicable, recover improperly paid funds

## Review Frequency and Scope of Review

The Healthy Hunger-Free Kids Act mandates state agencies conduct an AR a minimum of one time during a three-year cycle, however Idaho has received a waiver to conduct reviews on a five-year schedule to evaluate Critical and General Areas of Review, including:

- Performance Standard 1: Meal Access and Reimbursement
- Performance Standard 2: Meal Pattern and Nutritional Quality
- General Areas of Review: Resource Management, Food Safety, Local School Wellness Policy, Smart Snacks, Civil Rights, Buy American, Professional Standards, and other areas of general program compliance.

These were the SA determined findings and the SFA response to the findings:

## Finding and Corrective Action Plan (CAP)

### Finding 1: Certification and Benefit Issuance

Five determination and/or benefit issuance errors were identified. One application was incorrectly calculated which resulted in an increase in benefits for the student's in the household (two students). Two applications, affecting five students, were incomplete (missing SSN or check box not completed). One application should have been verified for cause due to a non-viable SNAP number (one student). One application was correctly determined for reduced priced benefits, however the student was on the benefit issuance list receiving free benefits.

**CAP:** Upload copies of the household notifications letters for applications with identified errors and an updated benefit issuance list (BIL) that reflects accurate student eligibility. Per the *USDA Administrative Review Manual*, "If certification errors are identified, Fiscal Action must be applied to all closed Claims for Reimbursement for all sites establishing a base year for Provisions 2...the \$600 disregard does not apply to closed claims for sites in the base year when fiscal action is required to fix the meal counts when a Provision 2 base year review is being conducted in conjunction with the Administrative Review." As a result of the application errors, the SA had to conduct a claim recalculation for the months of October, November, December, January, February and March since the SFA is currently establishing a Provision 2 Base Year at the elementary school site

**CAP Completion:** June 12, 2020

**CAP Response:** Copies of all household letters and the updated BIL were uploaded into MyIdahoCNP for SA validation. The claim recalculations resulted in fiscal action.

### Finding 2: Verification

One verified application resulted in a reduction of household benefits due to non-response to the verification request. The SFA sent the appropriate adverse action notification letter, however the benefit issuance list was not updated to reflect the change in benefits.

**CAP:** Update the BIL to reflect the correct benefit and upload a copy into MyIdahoCNP for State agency (SA) validation.

**CAP Completion:** June 12, 2020

**CAP Response:** The BIL was updated and uploaded into MyIdahoCNP.

### Finding 3: Fresh Fruit and Vegetable Program

The SA determined there was an error in the FFVP claim for February 2020 resulting in an under-claim. Although the SFA receives separate invoices for FFVP produce, some items were inadvertently left off the claim for reimbursement. The SFA should incorporate an edit check process to double check FFVP expense receipts against the claim. Improper claiming directly

impacts the requirement to spend at least 80% of the grant award and unsuccessful management of grant funds and FFVP findings during an AR are tracked and considered for future FFVP grant award determinations.

**CAP:** The SFA was given the opportunity to revise the claim for payment by June 30, 2020.

**CAP Completion:** June 17, 2020

**CAP Response:** The SFA submitted a revised claim.

## Commendations

CNR completed the menu review and provided the following:

- Students are provided fresh fruit choices at both breakfast and lunch. Lunch vegetable offerings included a fresh colorful salad and cooked vegetables. The menus provide an abundance of fruits and vegetables across the menu week.
- Outstanding job meeting meal pattern requirements for breakfast and lunch. All daily and weekly meal component and food quantity requirements were met for the week of menu review.
- The District School Nutrition Supervisor was open and receptive to Technical Assistance (TA) and best practice suggestions. Records were organized and readily available for review. She demonstrates thorough knowledge of Program requirements and dedicates time to provide staff training and resources.
- The kitchen staff was observed following proper food safety practices, no bare hand contact with ready to eat foods, temperature recordings, and other signs of a clean preparation and service facility.
- The kitchen staff was observed following proper food portioning practices to assure  $\frac{1}{2}$  cup portions of pre-cupped fruit.

## Technical Assistance (TA)

### Meal Counting and Claiming

- The (SFA) uses a combination of an electronic and manual system to count and consolidate reimbursable meals. The SA identified an over-claim of two breakfast meals for the month of review (February 2020) for the Middle School site claim. This appears to be a simple oversight, however please review claim submissions against point of service meal counting records to ensure claims are accurate.

### Resource Management

- Per FD-104 guidance memo, USDA Foods (formerly known as commodities) must be noted as revenue and as expenses in the Fund 290. Please consider a separate detail section in the Fund 290 with a “USDA Foods” description as a revenue line item as well as an expense line item. The State agency provided instructions on generating the Value of Commodities Report to ensure future compliance.
- 2 CFR 200.439 requires non-Federal entities, such as SFAs, to obtain approval from SA for capital expenditure purchases of \$5,000 or more. Capital Expenditure Requests needing approval by the State agency must be submitted in MyIdahoCNP.

## Food Safety

- During the review, the food safety plan was discussed with the SFA. The SFA must have a food safety plan that complies with the requirements and the SFA must ensure that all elements of the plan are implemented. The SFA should be following the procedures as outlined in the plan and maintaining all required records. Onsite CNR Reviewer Note: TA was given to update the written plan to clarify whether QUATS sanitizer or bleach is to be used. Provided TA to review document for any other updates needed, such as temperature forms for receiving foods.

## Meal Components and Quantities

CNR completed the menu review and provided the following:

- TA given to correct crediting of Romaine lettuce 3/4 cup served to 3/8 cup creditable vegetable on production record (was listed as 3/4 cup credits as 3/4 cup). Menu offered more than the daily minimum 3/4 cup vegetables required by the meal pattern.

## Local School Wellness Policy (LWP)

- The Local School Wellness Policy must be in compliance with the USDA Final Rule established in July 2016, including the requirement that report(s) on the progress towards goals stated in the wellness policy be publicly available. The final rule requires LEAs to fully comply with the requirements of the final rule by June 30, 2017. Ensure the wellness assessment (e.g., Idaho Wellness Policy Progress Report) is available to the public; posting to the school /district website and/or in a school newsletter would support this requirement. This is a repeat issue that must be resolved prior to the next administrative review. The policy references 8200 which is an ISBA policy number. Below are all the wellness policy related sections that must be included for a fully compliant policy:

Policy 2305- Nutrition Services  
Policy 2310- Nutrition Education  
Policy 2315- Physical Activity Opportunities and Education  
Policy 7310- Advertising in Schools/Revenue Enhancements  
Policy 8200- Local School Wellness  
Policy 8210- District Nutrition Committee  
Policy 8230- Nutrition Standards  
Policy 8235- Water Consumption/Water Bottle Policy (optional)  
Policy 8240- School Meals  
Policy 8250- Guidelines for Food and Beverages Sales

- All LEAs must assess their wellness policy at least once every three years and report on the extent to which each school is in compliance with the district policy. LEAs must make this assessment available to the public. Posting to the school /district website and/or in a school newsletter would support this requirement.

## Smart Snacks

- No fundraising tracking log was available for the AR. All fundraisers, both exempted and compliant, including non-food sales, must be tracked. The [SA fundraiser tracking template](#) includes an option to check “non-food” for ease in tracking those sales along

with the “compliant” and “exempted” food fundraiser options. The purpose of tracking all fundraising, including food and non-food, is due to the SA requirement that at least 50% of fundraising to be exempted or non-food related. If the need arises to request an additional exempted fundraiser (beyond the 10 locally approved), the [pre-approval request form](#) must be submitted along with the school’s fundraiser tracking form.

### Procurement

- During the Procurement Review, the SA identified an unallowable expenditure for game rewards used during the SFA's annual Super bowl party. The SFA can market the event to encourage increased participation in the school lunch program and provide a dessert that is part of the reimbursable meal, however the non-profit school food service account may not be used as a flow through account for unallowable purchases such as trinkets and candies. Any items for such events must be procured using a general fund account rather than the Child Nutrition Fund 290 Account. Please follow the guidance provided in the separate closure letter.

### Special Provision Options

- Buhl High School's Provision 2 base year 16-17, expired at the end of school year 19-20. Due to improvements in the socioeconomic data within the district, the high school did not qualify for an extension. The Provision 2 option at this site has been discontinued beginning school year 20-21.
- The district initially decided to establish a Provision 2 base year for the elementary and middle school sites during school year 19-20. As a result, a Provision 2 Base Year review was conducted by the SA on October, 16, 2019, and identified benefit issuance errors were corrected. Since that time, the district has decided to discontinue the Provision 2 option at the middle school beginning school year 20-21.
- A Provision 2 Base Year (SY19-20) is currently being established at the elementary school. As part of the administrative review desk audit, SA reviewers validated benefit issuance documents and application determination. Please ensure all required Provision 2 documentation, including base year daily meal count records by student name and eligibility, is maintained per requirements. If you wish to continue with Provision 2 breakfast at the elementary school, you must contact the SA prior to the expiration date (6/2023) to see if you qualify for an extension.

### Fiscal Action

Due to benefit issuance errors and claiming recalculations, fiscal action in the amount of \$292.89 was assessed. The SFA received additional reimbursement in the amount of \$718.50 due to the SA identified under claim in FFVP. Should you wish to appeal the fiscal action, please follow the appeal procedures on the State Agency Appeals Procedure document located on [the SDE web page](#).

### Your review is now closed.

If you wish to discuss any of these findings, please contact me at (208) 332-6820.

Thank you for your continued support of the Child Nutrition Programs!

Sincerely,



Teresa Goodsell, MPA, SNS  
NSLP Coordinator

cc: Michelle Shaddy, Food Service Director, Buhl School District  
Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs

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- (2) fax: (202) 690-7442; or
- (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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